

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

RATE ADJUSTMENT OF GREEN RIVER)
ELECTRIC COOPERATIVE CORPORATION) CASE NO. 9165

O R D E R

IT IS ORDERED that Green River Electric Cooperative Corporation ("Green River") shall file an original and 10 copies of the following information with the Commission, with a copy to all parties of record, by February 21, 1985, or 2 weeks after the receipt of this Order, whichever is later. Each copy of the data requested should be placed in a bound volume with each item tabbed and an index of the information included therein. Where a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Careful attention should be given to copied material to insure that it is legible. Green River shall furnish with each response the name of the witness who will be available at the public hearing for responding to questions concerning each area of information requested. When applicable, reference can be made to the responses filed in Case No. 9008, Rate Adjustment of Green River Electric Cooperative, which can be incorporated into the record under this docket. Similarly, references may be made to the original application where appropriate. If neither the requested

information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

Information Request No. 2

1. In its Order of October 24, 1983, Case No. 8778, Adjustment of Rates of Salt River Rural Electric Cooperative Corporation, the Commission stated that it is reconsidering its policy of allowing for rate-making purposes the interest on debt drawn down after the end of the test year and that any utility requesting such treatment of interest expense will have to prove the necessity of such treatment. With reference to Exhibit 6, page 7, of the application, it is reflected therein that Green River is proposing to include a portion of the interest on funds scheduled to be drawn down subsequent to the test year. Please elaborate on and explain in detail the basis for this adjustment and provide evidence as to why the Commission should alter the position stated in the final Order of Case No. 8778 on this issue.

2. With reference to the interest expense adjustment, provide an analysis showing the dates that the assets associated with the unadvanced funds were placed into service.

3. Provide a copy of the 1984 audit report as soon as it becomes available.

4. With reference to Item No. 16, page 4, of the Commission's information request dated December 27, 1984, explain the reason for the increases in the following accounts:

a. Line 5, Account No. 593--Distribution Expense--Maintenance of Overhead Lines.

b. Line 17, Account No. 593.3--Maintenance of Overhead Lines-Row.

5. With reference to Item No. 5, page 1, column 9 and footnote 1, of the Commission's information request dated December 27, 1984, provide a breakdown of public relations expenses included in "Other" advertising. Include an explanation of the purpose of the expenditures.

6. In its Order of November 30, 1981, Case No. 8252, Green River Electric Corporation: (1) Notice that on June 28, 1981, It Will Change its Tariff Rates for Electric Service (2) Application for an Order Changing its Rates for Electric Service to National Southwire Aluminum Company, the Commission disallowed the inclusion of 21 days of the cost of Purchased Power in the calculation of the rate base. With reference to Item No. 9, page 1, line 12 of the Commission's information request dated December 27, 1984, please elaborate on and explain in detail the basis for including 21 days of the cost of Purchased Power in the calculation of rate base and provide evidence as to why the Commission should alter the position stated in the final Order of Case No. 8252 on this issue.

7. Provide calculations showing how the Kwh energy quantities for Green River Coal Company were determined. Also, give the basis for the use of a 50 percent monthly load factor.

8. In the event absorption is deemed necessary by the Commission, would Green River want to make any changes in the way they have proposed for the revenue increase to be included in the rates? If so, provide a detailed explanation of such a proposal.

Done at Frankfort, Kentucky, this 8th day of February, 1985.

PUBLIC SERVICE COMMISSION

Richard D. Hemen
For the Commission

ATTEST:

Secretary